



Maryland Health Benefit Exchange Board Meeting Minutes

**February 14, 2012
1:00 p.m. - 4:00 p.m.
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, MD 21215**

The materials presented in the meeting are listed on the Maryland Health Benefit Exchange webpage: <http://dhmh.maryland.gov/healthreform/exchange/SitePages/meetings.aspx>

Members Present

Joshua M. Sharfstein, M.D.	Kenneth Apfel, M.P.A
Georges Benjamin, M.D.*	Therese Goldsmith, J.D., M.S.*
Jennifer Goldberg, J.D., LL.M.	Darrell Gaskin, Ph.D.
Enrique Martinez-Vidal, M.P.P.*	Rebecca Pearce, M.B.A
Ben Steffen, M.A.	

Members Absent

Thomas Saquella, M.A.

Opening and General Updates

Secretary Sharfstein welcomed the Exchange Board members and participants. The Board approved the January 9th meeting minutes.

Closed Session¹

The Board approved a motion to go into closed session.

Presentation of IT Vendor Selection

Kevin Yang, Chief Information Officer of the Exchange, and Kristine Hoffman, Assistant Attorney General, discussed and presented the information technology (IT) vendor

*Present through teleconference.

¹ The meeting was closed pursuant to (1) State Government Article §10-508(a)(1), which provides that a session may be closed to discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom it has jurisdiction, and (2) State Government Article §10-508(a)(14), which provides a session may be closed before a contract is awarded or bids are opened, discuss a matter directly related to a negotiating strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.

recommendation for Phase 1A of the “Support Maryland Health Benefit Exchange to Implement the Affordable Care Act” request for proposal (RFP). Phase 1A involves building the core functionality for the individual Exchange and Medicaid expansion systems, as well as key interfaces for eligibility and enrollment, plan comparison, and customer relationship management. The key criteria used by the RFP evaluation team to select an IT vendor were: understanding the problem, quality of staff, past performance, and meeting system requirements. Noridian Administrative Services, LLC was awarded the contract for Phase 1A. The evaluation team rated Noridian as having an excellent technical proposal and strong software solutions. The contract, worth \$67 million, will be funded through the Early Innovator Grant and the Level 1 Establishment Grant. The Board unanimously approved the resolution authorizing award of the contract for Phase 1A to Noridian. The Exchange must also obtain approval from the Centers for Medicare and Medicaid Services, which is expected to be received by February 22, 2012. Mr. Yang also described Phase 1B of the RFP that involves the SHOP Exchange Operations. The Exchange is discussing concepts for SHOP technology and operations.

Basic Health Plan Recommendations

Chuck Milligan, Deputy Secretary of Health Care Financing at the Maryland Department of Health and Mental Hygiene (DHMH), presented on the Basic Health Plan (BHP) recommendations. A report completed by DHMH and The Hilltop Institute determined that high enrollment in the BHP may redirect funds away from the Exchange or change the risk pool. In addition, if DHMH administered the BHP, there would be administrative expenses and burden due to program management and quality monitoring. Mr. Milligan discussed the effects of the BHP on continuity, provider participation, churn, consumer affordability, and the financial impact on Maryland. The final recommendation from DHMH is to defer making a decision on the BHP until more federal guidance and information on rates and state fiscal risks are received.

The Board agreed with DHMH that it would be premature to make a decision about BHP until more information is obtained.

Health Benefit Exchange Act Bill 2012 Update

Carolyn Quattrocki, Director of the Governor’s Office of Health Care Reform, provided an update on the Maryland Health Benefit Exchange Act of 2012. The presentation listed the recommendations from the Exchange’s final report and where each recommendation is addressed in the new bill. Ms. Quattrocki described how Navigator Program sections of the bill were the most complicated and had many suggested amendments. The SHOP Exchange will have a Navigator licensing program, but will not require a full producer license. The Individual Exchange will require Navigator certification instead of licensure, and existing producers may sell in the individual Exchange. The new Exchange bill may also require more studies and recommendations from the Exchange on topics such as financing and continuity of care. Ms. Quattrocki discussed summaries of the major amendments. The next steps for the Exchange Bill are to have the committee bill hearings and consideration by the Senate and House.

The Board discussed some of the questions raised by the proposed amendments. Secretary Sharfstein recommended that Jennifer Goldberg and Tom Saquella suggest advisory committees that should meet again. Secretary Sharfstein noted that the Exchange Board’s recommendations

are being translated into legislation, and that is a testament to the work of the Exchange staff and the advisory committees.

Exchange Updates

The Exchange staff gave updates on their current work.

Rebecca Pearce, Executive Director

Ms. Pearce listed the activities she has worked on, including: strategies for the SHOP Exchange, the IT implementation work group, the internal Navigator workgroup, meeting with legislators, hiring Exchange staff, recommendations on IT work, and a contract with The Hilltop Institute. She described the five key goals for the Exchange for 2012: 1) receive certification from the Center for Consumer Information and Insurance Oversight (CCIIO); 2) develop and deliver an IT system that properly supports Exchange functions; 3) develop an interim policy to support effective implementation of the Exchange; 4) receive a Level 2 Grant to fund the Exchange for 2014; and 5) build Exchange infrastructure. She described how the goals are driven by two pieces of information – a document from Wakely Consulting Group, funded by the Robert Wood Johnson Foundation, which provides a blueprint for Exchange operations and the Level 2 Grant. The application for the Level 2 Grant must be submitted by June 29, 2012, and there is significant work that must be accomplished before the application can be sent.

Danielle Davis, Director, Communications and Outreach

Ms. Davis provided the Board members with draft materials for a toolkit for legislators and other stakeholders. This toolkit will provide talking points, frequently asked questions, a timeline, and other information that legislators and stakeholders can use in their discussions. She asked the Board members to provide feedback. Ms. Davis said that she is working on identifying other marketing needs and branding.

Leslie Lyles Smith, Director of Operations

Ms. Smith described her recent activities to the Board. She has worked on developing the Exchange's relationship with CCIIO, taking ownership of the grants from DHMH, obtaining space for the Exchange staff, setting up payroll and accounting, and finalizing the contract with The Hilltop Institute. She also worked on the fiscal year 2013 budget and initiated the call center study.

Kevin Yang, Chief Information Officer

Mr. Yang described working on the Phase 1A IT vendor selection, planning Phase 1B, and establishing the Exchange Implementation Advisory Committee.

Tequila Terry, Director, Plan and Partner Management

Ms. Terry joined the Exchange a week prior to the Board meeting. She described attending a plan management workgroup meeting hosted by CCIIO where they reviewed the Affordable Care Act and the implementation considerations for qualified health plans.

Kristine Hoffman, Assistant Attorney General

Ms. Hoffman introduced herself to the Board.

Susana Fowler, Intern

Ms. Fowler is a student from Johns Hopkins University who will use her time at the Exchange to research cost control measures.

Next Steps

The next Exchange Board meeting will be held on March 13, 2012, at the Maryland Health Care Commission.